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California Legislature



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JOINT LEGISLATIVE AUDIT COMMITTEE RUDY SALAS JR., CHAIR

May 25, 2021

Revised/Received
06/21/2021

Members
Joint Legislative Audit Committee
1020 N Street, Room 107
Sacramento, CA 95814

Dear Members of the Committee,

I respectfully request the Joint Legislative Audit Committee approve a performance audit regarding the California Public Utilities Commission's (CPUC) role in ensuring a safe and reliable electrical system. Delivering safe and reliable electricity is important to every Californian and business, especially the elderly and those who rely on medical equipment.

As we are all aware, California is now more often experiencing wildfires and larger fires. Five of the six largest California wildfires occurred in 2020. More larger fires are expected in 2021. Climate change is considered a key factor in this trend. Warmer springs and summers, reduced snowpack, and earlier spring snowmelt result in a longer and more intense dry seasons, making severe wildfires more likely. The length of the fire season in the Sierras has increased by 75 days; this seems to correspond with an increase in the extent of forest fires across California.

The investor-owned utilities (IOUs) have also contributed to recent fires. More than 1,500 California fires in California were caused by one IOU in the past seven years. Many, including the Governor, accuse utility(ies) of prioritizing profits over safety. To address the issue of wildfires, utilities are now regularly shutting off Californians' power when it believes weather is severe and likely to present serious fire danger. These events, also known as Public Safety Power Shutoffs/De-Energizations, can leave individuals, communities, businesses, and essential facilities such as medical facilities without power, imposing serious risks and hardships on Californians. Older residents and those relying on medical equipment and devices present an extra risk. It can literally be a matter of life and death.

The CPUC has been responsible for regulating IOUs for almost 100 years, overseeing the provision of safe, reliable utility services to millions of Californians. CPUC reports that the three large energy companies in California have conducted 33 Public Safety Power Shutoffs/De-Energizations so far. These power outages can leave hundreds of thousands of Californians without electricity.

Proposed Scope of Audit

I respectfully request that the Joint Legislative Audit Committee approve this request to have the State Auditor provide oversight to this important topic of utilities and the safety and reliability of the electrical system. Specifically, this audit should include the following:

1. Review and evaluate the laws, rules, and regulations significant to the audit objectives.
2. Review CPUC's efforts to fulfill its mission as it relates to overseeing the safety of the electric system.
3. For the past five years, identify and evaluate the measures that CPUC has taken to oversee the safety of utilities' electric system, including but not limited to, CPUC's allocation of staff and budget resources, assessments of needed infrastructure improvements, and development of wildfire mitigation protocols and equipment.
4. Review CPUC's efforts to fulfill its mission as it relates to overseeing utilities' Public Safety Power Shutoffs/De-Energizations.
5. Review and evaluate the role of and any processes used by CPUC for reviewing and approving utility plans for Public Safety Power Shutoffs/De-Energizations. Identify any criteria used by CPUC in reviewing and approving these plans.
6. Determine whether CPUC's decisions and fulfillment of responsibilities related to Public Safety Power Shutoffs/De-Energizations were objectively reasonable and consistent with state laws and CPUC rules and regulations. Additionally, determine the extent to which any reported information and data are properly supported, any efforts appropriately targeted, and outcomes properly tracked, measured and evaluated.
7. Identify any recommendations for necessary statutory and procedural changes.

Thank you for your consideration of my audit request. If you have any questions, please do not hesitate to contact me.



RUDY SALAS, Chair
Joint Legislative Audit Committee
Assemblymember, 32nd District



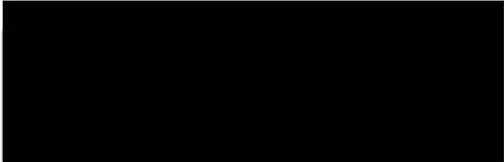
Honorable Andreas Borgeas
Senator, 8th District



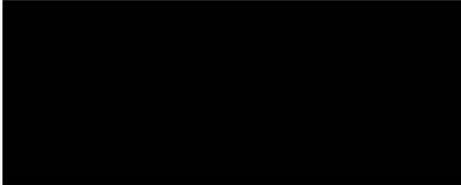
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